



INDÉPENDANCE

France Small & Mid

REPORT DECEMBER 2024 - 1/2

Indépendance AM France Small is a UCITS that primarily invests in stocks of small and medium-sized French companies with the aim of increasing the portfolio's capital value.

The fund applies the Quality Value methodology of Indépendance AM, which involves investing in companies that grow sustainably and profitably (Quality) and are undervalued (Value). This objective is associated with an extra-financial approach that includes considering environmental, social, and governance (ESG) criteria.

Investment team

MANAGEMENT - ANALYSTS



RESPONSIBLE INVESTMENT

Comments

The year 2024 saw France stock markets rise until the dissolution of the National Assembly followed by a sharp decline. At the end of May the CAC 40 had risen by +8%, the CAC Mid & Small by +10.8% and Indépendance France Small & Mid by +13.7%. At the end of December these figures are respectively -0.10%, -3.6% and -1.2%.

Indépendance France Small & Mid fund outperformed its benchmark index for the 5th consecutive year, in a context that was not buoyant for French Small and Mid-caps.

Portfolio valuation ratios remain low. At the end of December, the 2024e P/E ratio was 9.9x compared to 13.7x for the CAC Mid & Small, at levels close to the lowest ones of the last 15 years.

| | | | |
|-------------|-------------|------------------------|-------------|
| | | | |
| Asset class | Elegibility | Responsible Investment | Fund assets |

Risk / Return Profile

- 1
- 2
- 3
- 4
- 5
- 6
- 7

Lower risk, potentially lower returns; higher risk, potentially higher returns.

Key monthly figures

| NAV per share class | |
|---------------------|----------|
| Share A | 725.44 € |
| Share X | 731.26 € |
| Share I | 817.53 € |

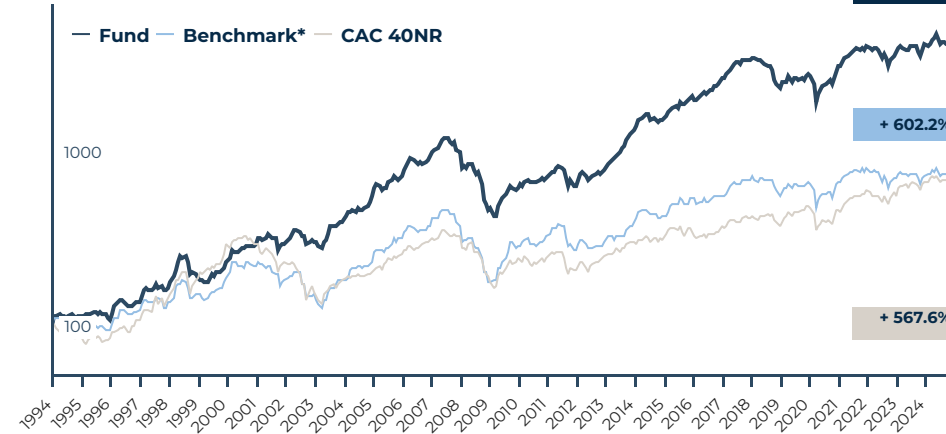
| Portfolio snapshot | |
|-------------------------------|--------|
| Investment ratio | 98.71% |
| Number of stocks in portfolio | 47 |
| Top 10 holdings weighting | 38% |

Performance / risk ratios

| | 1Y | 3Y | 5Y | 10Y |
|-----------------------------|-------|-------|-------|-------|
| Performance | | | | |
| Indépendance France S&M - X | -1.2% | -0.0% | 7.7% | 10.2% |
| Benchmark* | -3.6% | -4.1% | 0.9% | 5.2% |
| Volatility | | | | |
| Indépendance France S&M - X | 12.6% | 15.2% | 20.2% | 17.5% |
| Benchmark* | 14.1% | 18.2% | 19.8% | 16.7% |
| Tracking Error Inception | 5.7% | | | |

Evolution of the fund's NAV

Performance (in %, net of fees, log. scale)



Past performance is not indicative of future performance

*The fund's benchmark index has been the CAC Mid & Small NR index since 12/31/2016. The CAC Small NR was the benchmark index from 12/31/2004. Before that, the index was the SBF Second Marché. The benchmark index performances presented in this document for periods starting before 12/31/2016 are linked to the performances of these three indices.

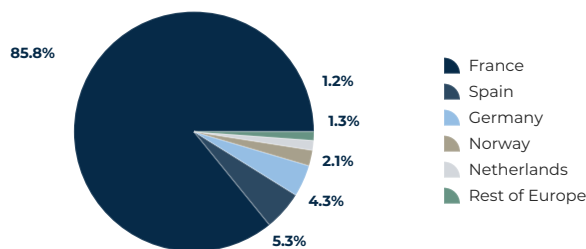
Performance per year

| | France Small & Mid | Benchmark * |
|------|--------------------|-------------|
| 1994 | 13.6% | -2.2% |
| 1995 | -1.3% | -3.8% |
| 1996 | 21.8% | 31.6% |
| 1997 | 22.0% | 9.8% |
| 1998 | 14.3% | 12.4% |
| 1999 | 21.8% | 24.5% |
| 2000 | 23.5% | 16.4% |
| 2001 | 2.9% | -17.0% |
| 2002 | 3.1% | -17.5% |
| 2003 | 29.9% | 22.6% |
| 2004 | 40.1% | 27.0% |
| 2005 | 25.7% | 34.9% |
| 2006 | 29.1% | 16.9% |
| 2007 | 9.9% | 1.5% |
| 2008 | -52.9% | -53.2% |
| 2009 | 33.7% | 62.8% |
| 2010 | 14.7% | 13.0% |
| 2011 | -10.5% | -17.2% |
| 2012 | 24.1% | 12.9% |
| 2013 | 66.2% | 28.5% |
| 2014 | 15.6% | 8.4% |
| 2015 | 36.4% | 28.7% |
| 2016 | 16.9% | 2.9% |
| 2017 | 36.7% | 23.8% |
| 2018 | -29.9% | -20.2% |
| 2019 | 19.8% | 21.3% |
| 2020 | 9.5% | -0.1% |
| 2021 | 32.8% | 18.6% |
| 2022 | -9.5% | -12.0% |
| 2023 | 11.7% | 3.9% |
| 2024 | -1.2% | -3.6% |

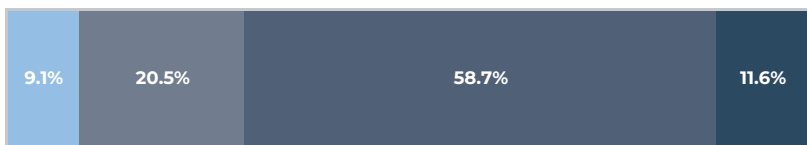
France Small & Mid

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Geographic breakdown



Market cap breakdown



■ <500M€ ■ 500M-1Mds€ ■ 1-10Mds€ ■ >10Mds€

Fund financial ratios (year N)

| | P/B | P/E | Div. Yield |
|--|---------------|---------------|-------------|
| France Small & Mid - median | 1 | 8.9 | 3.40% |
| France Small & Mid - weighted average | 1.3 | 9.9 | 3.80% |
| Benchmark average | 1.7 | 13.7 | 3.80% |
| Difference vs. weighted average | -23.5% | -27.7% | 0bps |

Portfolio breakdown

Sector breakdown

| Sectors | Weight |
|----------------------|-------------|
| Capital Goods | 19.5% |
| Unknown Sector | 19.1% |
| Financials | 13.4% |
| Media | 11.8% |
| IT / ext. R&D | 6.5% |
| Transportation | 6.5% |
| Retailing | 6.3% |
| Energy | 4.4% |
| Defence | 4.3% |
| Consumer Goods | 3.9% |
| Food & Beverage | 2.6% |
| B2B Services | 1.3% |
| Materials / building | 0.3% |
| Total | 100% |

Stocks market capitalization (in M€)

| | |
|---------------|---------------------------|
| >10Mds€ | Rheinmetall |
| | Publicis |
| | Dassault Aviation |
| | Eiffage |
| | Rexel |
| | Technip Energies |
| | Nexans |
| | Elis |
| | Grupo Catalana Occidente |
| | Scor |
| 1-10Mds€ | Vallourec |
| | Sopra Steria |
| | Covivio Hotels |
| | Sbm Offshore |
| | Alten |
| | Ldc |
| | Worldline |
| | Trigano |
| | Coface |
| | Ipsos |
| | Hoegh Autoliners |
| | Stef |
| | Vicat |
| | Tfi |
| | Esso |
| Maurel & Prom | |
| 500M-1Md€ | Tecnicas Reunidas |
| | Derichebourg |
| | Electricite de Strasbourg |
| | Viel et Compagnie |
| | Crit |
| | Quadient |
| | Aubay |
| | GI Events |
| | Nrj |
| | Groupe Guillin |
| Mersen | |
| Damico | |
| <500M€ | Delta Plus |
| | Jacquet Metal |
| | Sword Group |
| | Fontaine Pajot |
| | Dekuple |
| | Gevelot |
| | Fleury Michon |
| Poujoulat | |
| Moulinvest | |

Main investments

| Stocks | Weight |
|-------------------|--------|
| Nexans | 5.0% |
| Technip Energies | 4.4% |
| Rheinmetall | 4.2% |
| Publicis | 3.7% |
| Elis | 3.7% |
| Viel et Compagnie | 3.6% |
| Dassault Aviation | 3.5% |
| Groupe Guillin | 3.4% |
| Scor | 3.3% |
| Sopra Steria | 3.3% |

Main variations over the month

| Stocks | Perf | Comments |
|--|--------|--|
| Outperformance vs the benchmark | | |
| Moulinvest | 18.3% | annual results with strong cash generation in a sluggish market |
| Derichebourg | 14.4% | very solid annual results and good outlook for 2024-25 |
| GI Events | 8.7% | low valuation and possible takeover of the management of the Stade de France |
| Technip Energies | 8.6% | order book provides visibility |
| Jacquet Metal | 8.2% | no significant event |
| Underperformance vs the benchmark | | |
| Nexans | -3.6% | no significant event |
| Sword Group | -4.0% | no significant event |
| Sopra Steria | -6.4% | little growth expected in 2025 |
| Delta Plus | -11.5% | no significant event |
| Hoegh Autoliners | -13.9% | Decrease of freight prices |

Fund characteristics

| Characteristics | |
|----------------------------|------------------------|
| Legal form | UCITS |
| Valuation | Daily |
| Currency | EUR |
| Recommended holding period | > 3 years |
| Subscriptions | Daily |
| Redemptions | Daily |
| Depository bank | CACEIS Bank Luxembourg |
| Fund administrator | CACEIS Bank Luxembourg |
| Risk level | 5 over 7 |
| Eligible | PEA |

| Fees | Shares X and A | Share I |
|--------------------------|----------------|---------|
| Subscription fees | 0% | 1% max |
| Min. subscription amount | 1 share | 1 share |
| Redemption fees | 0% | 0% |
| Management fees | 1.95% | 1.40% |
| Outperformance fees | 10% | 10% |

| ISIN codes | |
|----------------------------------|--------------|
| Part X (C) - Institutionnal | LU0104337620 |
| Part A (C) - Individual investor | LU0131510165 |
| Part I (C) - Clean Share | LU1964632324 |

Main risks

Equity risk

The fund is invested at least 75% in equities; the fund's value can significantly decrease if equity markets fall. Equity markets have experienced wide fluctuations in the past and are likely to do so in the future.

Investing in equities, and therefore in the fund I&E France, is inherently risky.

Capital loss risk

The fund has no guarantee or protection; the initially invested capital may not be returned.

Past performance does not predict future performance; they are not constant over time. The fund and indices are calculated with dividends reinvested. The fund's performance is calculated net of management fees. This fund is not capital guaranteed. This communication is of a commercial nature. Investing in UCITS involves risks: it is advisable, before any subscription, to consult the KID and the prospectus (the Regulatory Documentation) available in French on www.independance-am.com/ taking into account the characteristics and sustainability objectives. Investor rights are established by the Regulatory Documentation as well as by the complaints handling policy, which is available on www.independance-am.com. Independance Asset Management may, at its own initiative, decide to cease marketing the UCITS it manages in certain states.